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8 Attorneys for Plaintiff

10 UNITED STATES DISTRICT COURT

11 NORTHERN DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,) No. C 08-3346 MEJ
13 Plaintiff,)
14 v.) COMPLAINT FOR FORFEITURE
15 1. APPROXIMATELY \$17,872 IN UNITED)
16 STATES CURRENCY;)
17 2. 2003 CHEVROLET CORVETTE Z 206, VIN)
1G1YY12S135115402, CALIFORNIA)
LICENSE # 5AIE270;)
18 3. 1998 ULTRA CUSTOM MOTORCYCLE,)
19 VIN# 19ZWS31A7WROOO879, CALIFORNIA)
LICENSE # 17B9838;)
20 4. 2005 HONDA CBR 1000 MOTORCYCLE,)
21 VIN #JH2SC57185M100611, CALIFORNIA)
LICENSE # 17R3273)
22 5. 2006 YAMAHA YZF R1 MOTORCYCLE,)
23 VIN # JYARN15Y06A00026, CALIFORNIA)
LICENSE # 18J0411)
24 6. APPROXIMATELY \$21,332.72 IN FUNDS)
25 SEIZED FROM BANK OF AMERICA)
ACCOUNT # *****4508;)
26 7. APPROXIMATELY \$2,604.93 IN FUNDS)
27 SEIZED FROM BANK OF AMERICA)
ACCOUNT # *****6940;)
28 8. APPROXIMATELY \$6,706.00 IN FUNDS)
SEIZED FROM BANK OF AMERICA)

1 ACCOUNT # *****6897;)
 2 9. APPROXIMATELY \$12,036.40 IN FUNDS)
 SEIZED FROM BANK OF AMERICA)
 3 ACCOUNT # *****6910;)
 4 10. APPROXIMATELY \$7,871.00 IN UNITED)
 STATES CURRENCY;)
 5 11. 2006 HONDA CBR 100RR MOTORCYCLE)
 VIN # JH2SC57166M200952, LIC. # 18F7883.)
 6)
 7 Defendants.)
 8)
 9

In this in rem forfeiture action, the United States alleges:

JURISDICTION

10 1. This Court has jurisdiction under Title 28, United States Code, Sections 1345 and
 11 1355 and Title 21, United States Code, Section 881.
 12

PARTIES

13 2. Plaintiff is the United States of America.
 14 3. The in rem defendants are described as follows:
 15

1. APPROXIMATELY \$17,872 IN UNITED STATES CURRENCY;
2. 2003 CHEVROLET CORVETTE Z 206, VIN # 1G1YY12S135115402, CALIFORNIA LICENSE #5AIE270;
3. 1998 ULTRA CUSTOM MOTORCYCLE, VIN # 19ZWS31A7WROOO879, CALIFORNIA LICENSE #17B9838;
4. 2005 HONDA CBR 1000 MOTORCYCLE, VIN # JH2SC57185M100611, CALIFORNIA LICENSE # 17R3273;
5. 2006 YAMAHA YZF R1 MOTORCYCLE, VIN # JYARN15Y06A00026, CALIFORNIA LICENSE # 18J0411;
6. APPROXIMATELY \$21,332.72 IN FUNDS SEIZED FROM BANK OF AMERICA ACCOUNT # *****4508;
7. APPROXIMATELY \$2,604.93 IN FUNDS SEIZED FROM BANK OF AMERICA ACCOUNT # *****6940;
8. APPROXIMATELY \$6,706.00 IN FUNDS SEIZED FROM BANK OF AMERICA ACCOUNT # *****6897;
9. APPROXIMATELY \$12,036.40 IN FUNDS SEIZED FROM BANK OF

1 AMERICA ACCOUNT # *****6910;

2 10. APPROXIMATELY \$7,871.00 IN UNITED STATES CURRENCY;

3 11. 2006 HONDA CBR 1000RR MOTORCYCLE,VIN # JH2SC57166M200952,
4 LIC. # 18F7883.

5 The defendants are currently in the custody of the United States Marshals Service in the
6 Northern District of California. Defendants 1, 2, 3, 4 and 5 were seized during the execution of a
7 search warrant at the residence of John Denn on May 2, 2007. Defendant 6 consists of
8 approximately \$21,332.72 in funds seized on May 3, 2007, from a Bank of America account in
9 the name of John Denn pursuant to an Order for Seizure of Assets. Defendants 7, 8, and 9 consist
10 of approximately \$21,347.93 seized from three Bank of America bank accounts on September 12,
11 2007, pursuant to an Order for Seizure of Assets. Defendants 10 and 11 were seized on August
12 23, 2007, during a probation search at the residence of John Denn.

13 4. There is probable cause to believe that the in rem defendant funds and currency,
14 constitute proceeds of drug trafficking and/or were used to facilitate the sale and distribution of
15 controlled substances and are thus subject to forfeiture, pursuant to Title 21, United States Code,
16 Section 881(a)((6). There is probable cause to believe that the in rem defendant vehicle and
17 motorcycles constitute proceeds of drug trafficking and are thus subject to forfeiture, pursuant to
18 Title 21, United States Code, Section 881(a)(6).

VENUE

19 5. Venue lies in the Northern District of California, pursuant to Title 28, United
20 States Code, Sections 1335(b) and 1395, as acts giving rise to this in rem action occurred in this
21 district and the defendant funds are located in this district.

INTRADISTRICT ASSIGNMENT

22 6. This matter arises in Contra Costa County because a substantial part of the events
23 which give rise to the plaintiff's claims occurred in that county. Assignment in Oakland or San
24 Francisco is proper.

FACTS

25 7. Plaintiff incorporates by reference the allegations of paragraphs one through six as

1 though fully set forth herein.

2 8. On May 2, 2007, the Pleasanton Police Department executed a state search warrant
3 at 18300 Vineyard Road, Castro Valley, California, the residence of John Denn (hereinafter
4 "Denn") and his girlfriend Christina Lehn. Denn was advised of his Miranda rights and agreed to
5 speak with law enforcement.

6 9. Denn stated that he has been selling methamphetamine, cocaine, and marijuana
7 from his home for the past 10 years. He earns between \$4,000 and \$12,000 a week selling
8 methamphetamine, \$400 a week selling cocaine, and \$1,000 a week selling marijuana. Denn said
9 he uses the money he makes selling drugs to pay all of his monthly expenses, including the
10 mortgages on three homes, credit cards, home equity loans and utilities. Denn also stated that he
11 does not have any type of legitimate income and that he is unemployed.

12 10. Denn explained that he had purchased a Chevrolet Corvette, a Chevrolet
13 Silverado, a Chris Craft boat, a Yamaha Wave Runner, a Yamaha motorcycle, a Honda
14 motorcycle, and an Ultra motorcycle with drug proceeds. Denn stated that he deposits drug
15 proceeds into Bank of America checking and savings accounts that are in his name.

16 11. Denn stated that he keeps drugs and drug proceeds hidden in his office. During
17 the course of the search of the office, law enforcement officers discovered a baggie containing
18 approximately 13.6 grams of methamphetamine, packaging materials, and a scale. Officers
19 recovered \$10,640 in cash from a desk drawer and \$34.00 in cash from the top of the desk. The
20 total amount seized from the desk was \$10,674.

21 12. During the search of the downstairs bedroom the officers found \$7,000 on the top
22 of a bookshelf. In the living room officers found three plastic bags hidden in the pool table which
23 contained the following amounts of illegal narcotics: approximately 28.7 grams of cocaine,
24 approximately 27.8 grams of methamphetamine, and approximately 1.5 grams of
25 methamphetamine. During a search of the safe in the upstairs master bedroom officers found
26 \$198 in cash.

27 13. On May 4, 2007, DEA Special Agent Brian Keenan took the \$10,674 in cash
28 seized from the desk in Denn's residence to the Bank of America where it was counted. The

1 currency was in the following denominations: \$1 x 4, \$5 x 4, \$10 x 5, \$20 x 185, \$50 x 14, \$100 x
2 62. On May 4, 2007 DEA Special Agent Brian Keenan took also took the \$7,000 in cash seized
3 from the downstairs bedroom of Denn's residence and the \$198.00 in cash seized from the safe in
4 the upstairs master bedroom of Denn's residence to the Bank of America where it was counted.
5 The \$7,000 in cash was in the following denominations: \$100 x 70. The \$198.00 in cash was in
6 the following denominations: \$1 x 6, \$2 x 1, \$5 x 2, \$5 x 2, \$10 x 1, \$20 x. 1, \$50 x. 1, \$100 x 1.
7 These funds were converted into Bank of America Cashier's checks and Special Agent Brian
8 Keenan delivered the checks to the United States Marshal's Service. The \$10,674, the \$7,000 and
9 the \$198.00 seized from Denn's residence constitutes the defendant \$17,872.

10 . 14. During the course of the search officers found and seized the following automobile
11 and motorcycles:

12 a . 2003 Chevrolet Corvette, VIN # 1G1YY12S135115402, California License # 5AE270,
13 registered to John Denn at 18300 Vineyard Road, Castro Valley, California;
14 b. 1998 Ultra custom motorcycle, VIN #19ZWS31A7WR000879, California license #
15 17B9838 registered to John Denn at 18300 Vineyard Road, Castro Valley, California; 2006;
16 c. Yamaha YZFR1 motorcycle, VIN # JYARN15Y06A000026, California License #
17 18J0411 registered to John Denn at 183 Vineyard Road, Castro Valley, California;
18 d. 2005 Honda CBR1000 motorcycle, VIN # JHSC5718M100611, California license #
19 17R3273, registered to John Denn at 183 Vineyard Road, Castro Valley, California.

20 15. During the search of the John Denn's residence, Pleasanton police found
21 documentation of three bank accounts in the name of John Denn: Bank of America CD account #
22 ****4508 in the amount of \$21,332.72, Bank of America checking account # *****0573 in the
23 amount of \$4, 526.77 and Bank of America savings account # *****3896 in the amount of
24 \$12,097.91.

25 16. On May 3, 2007, Detective Manny Basbas of the Pleasanton police department
26 obtained a state seizure order. The order was served on the Bank of America located at 3067
27 Castro Valley Boulevard, Castro Valley, California, and the following funds were seized:
28 \$21,33.72 from Bank of America CD account #*****4508, \$4,526.77 from Bank of America

1 checking account # *****0573, and \$12,097 from Bank of America savings account #
2 *****3896. These funds were combined and converted into a Bank of America Cashier's check
3 in the amount of \$37,957.40. The check was deposited with the United States Marshal's Service.
4 The \$4,526.77 and \$12,097 have been administratively forfeited.

5 17. During the course of his interview, Denn told officers that Christina Lehn was his
6 girlfriend and that she had been living at his residence for 6 years. Denn said that Lehn is aware
7 that he sells drugs from his home, but that she does not condone it and has never taken part in any
8 of his drug transactions. He added that all of the drugs and money seized from his home were his
9 property.

10 18. Christina Lehn was advised of her Miranda rights, waived them and was
11 interviewed on May 2, 2007, by Detective Maria Munayer. She said she had been living with
12 Denn for six years. Within one year of moving into Denn's house, she became aware that Denn
13 sold drugs for profit. She said she did not condone Denn's drug business and she has never taken
14 part in any of his drug transactions. Lehn stated she had no knowledge of any drugs or large
15 quantities of money inside the house. She claimed no ownership of any of the assets seized. She
16 signed a disclaimer of ownership and/or interest of the \$17,872 in United States currency seized
17 from the house and funds seized from the Bank of America checking, savings and CD accounts
18 that officers had found indicia of at the house.

19 19. On August 23, 2007, law enforcement officers conducted a state probation search at the
20 residence of Denn, located at 18300 Vineyard Road, Castro Valley, California.

21 20. During the course of the search, officers discovered approximately 390.8 grams of
22 methamphetamine hidden under an outdoor spa. The methamphetamine was packaged in clear
23 ziplock bags.

24 21. In a downstairs office of the residence, the officers discovered approximately
25 \$4,010.00 in cash in the top right desk drawer, \$3,127.00 in cash in Bank of America check books
26 found in the office desk. On the desk, officers found indicia in the name of Denn, and an open box
27 of sandwich style plastic bags which were similar to the plastic bags used to package the
28 methamphetamine found under the outdoor spa. Immediately behind the desk, officers found two

1 operable gram weight scales. Officers also discovered bank and financial statements. Officers also
2 discovered \$57.00 in cash in the master bedroom and \$677.00 in cash in Denn's wallet. The
3 \$4,010.00, the \$3,127.00, the \$677.00, and the \$57.00 seized from Denn and his residence
4 constitute defendant \$7,871.00.

5 22. During the probation search of Denn's residence officers found documentation of
6 three bank accounts: Bank of America checking account #*****6940 in the amount of \$2,604.93,
7 Bank of America checking account # *****6897 in the amount of \$6,706.60, and Bank of
8 America checking account # *****6910 in the amount of \$12,036.40.

9 23. On August 27, 2007, Detective Brian Anthony of the Pleasanton police department
10 obtained a state seizure order for those accounts. The order was served on the Bank of America
11 located at 1400 East 14th Street, San Leandro, California, and the following funds were seized:
12 \$2,604.93 from Bank of America checking account # *****6940, \$6,706.60 from Bank of
13 America checking account # *****6897, \$12,036.40 from Bank of America checking account #
14 *****6910. These funds were combined and converted into a Bank of America Cashier's check
15 in the amount of \$21,347.93. The check was deposited with the United States Marshal's Service

16 24. During the probation search, officers also discovered a 2006 Honda CBR 1000RR
17 Motorcycle, VIN # JH2SC57166M200952, License # 18F7883. Based on Denn's lack of any
18 apparent legitimate income, his May 2, 2007 statements regarding his drug trafficking and
19 illegitimate income, and the evidence of his continuing drug trafficking activity, officers seized the
20 motorcycle as proceeds of illegal narcotics sales.

21 25. On August 23, 2007, Denn was arrested for possession for sale of controlled
22 substances in violation of California Health and Safety Code §11378, among other offenses.
23 Following his arrest, Denn was read his Miranda rights and agreed to speak with officers. He said
24 that after his business burned down in November 2006 he had no other means of income so he
25 turned to selling methamphetamine. Denn admitted that all of the cash found in his home office
26 were proceeds from drug sales.

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CLAIM FOR RELIEF**21 U.S.C. § 881(a)(6)**

26. Plaintiff incorporates by reference the allegations of paragraphs one through twenty-five as though fully set forth.

27. Title 21, United States Code, Section 881(a)(6) provides, in part, for the forfeiture of all monies or other things of value furnished or intended to be furnished by any person in exchange for a controlled substance, all proceeds traceable to such an exchange, and all monies used or intended to be used to facilitate the distribution and possession with the intent to distribute a controlled substance, including violations of Title 21, United States Code, Sections 841 and 846.

28. In light of the foregoing, and considering the totality of the circumstances, there is probable cause to believe that the defendant funds and currency represent moneys furnished or intended to be furnished to another person in exchange for a controlled substance, constitutes proceeds derived from such an exchange, and was used or intended to be used to facilitate an offense, in violation of Title 21, United States Code, Sections 841(a) and 846, and thus subject to forfeiture under Title 21, United States Code, Section 881(a)(6). In light of the foregoing, and considering the totality of the circumstances, there is probable cause to believe that the defendant vehicle and motorcycles constitute proceeds of drug trafficking and are thus subject to forfeiture, pursuant to Title 21, United States Code, Section 881(a)(6).

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PRAAYER FOR RELIEF

WHEREFORE, Plaintiff prays that due process issue to enforce the forfeiture of the defendant properties, that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed, that judgment of forfeiture be entered against said property, and that Plaintiff be awarded such relief as may be proper and just.

Dated: 7/10/08

Respectfully submitted,

/S/

STEPHANIE HINDS
Assistant United States Attorney

/S/

AUSA assigned S. Gray

1 STATE AND NORTHERN DISTRICT OF CALIFORNIA)
2 CITY AND COUNTY OF SAN FRANCISCO)
3 _____) VERIFICATION

4 I, Brian Keenan, state as follows:

5 1. I am a Special Agent for the Drug Enforcement Administration. I am familiar with
6 the facts in the investigation leading to the filing of this Complaint for Forfeiture.

7 2. I have read the Complaint for Forfeiture and based upon my participation in the
8 investigation, review of relevant investigative reports, review of documentary evidence, and
9 discussions with other persons involved in the investigation, I believe that the allegations
10 contained therein are true.

11 I declare under penalty of perjury that the foregoing is true and correct to the best of my
12 knowledge.

13

14 Executed this ____ day of July, Oakland, California.

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16 _____ /S/
17 Brian K. Keenan
18 Special Agent
19 Drug Enforcement Administration
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